

# Millennium Challenge Corporation

Reducing Poverty Through Growth



**COUNTRY : CAPE VERDE**

**STATUS : IMPLEMENTATION, YEAR 1**

**LAST UPDATE : AUGUST 2006**

## GENERAL INFORMATION

Population	495,171*
GNI Per Capita	\$1,870*
Location	Group of islands in the North Atlantic, west of Senegal
Total Compact Amount	\$110 Million
Compact Duration	5 Years

## JOSE BRITO

Cape Verdean Ambassador

*"The MCA is a unique and an excellent aid program which will help us as a nation to achieve our national vision of realizing a better life for all through building a more competitive and robust economy. This will go a long way to help us as a nation to continue to entrench and deepen our democracy, create a vibrant society, and ensure a better life for future generations of Cape Verdeans. It is why we strongly believe that the MCA initiative needs to be supported by all who really want to see changes and efficiency in development assistance."*

## COMPACT GOAL

The Compact supports Cape Verde in achieving its overall national development goal of transforming its economy from aid-dependency to sustainable, private-sector led growth. MCC funds are being used to improve the country's investment climate and reform the financial sector; improve infrastructure to support increased economic activity and provide access to markets, employment, and social services; increase agricultural productivity and raise the income of the rural population as well as carry out some key policy reforms needed for sustained economic growth.

## EXPECTED RESULTS

- Increase agricultural productivity on the islands of Santo Antão, Fogo, and São Nicolau by improving water management and soil conservation, strengthening agribusiness development services, and increasing access to credit and capacity of financial institutions;
- Integrate internal markets and reduce transportation costs by strengthening transportation networks through road and bridge infrastructure improvement on the islands of Santiago and Santo Antão and upgrading the Port of Praia;
- Develop the private sector by reducing obstacles to private sector investment, particularly in priority sectors, and financial sector reform.

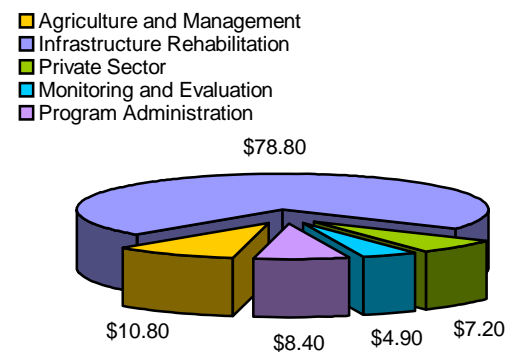
## COMPACT PROCESS

## DATE

Eligibility Notification	<input checked="" type="checkbox"/>	May 6, 2004
Proposal Receipt	<input checked="" type="checkbox"/>	October 4, 2004
Opportunity Memo	<input checked="" type="checkbox"/>	October 18, 2004
Congressional Notification on Formal Negotiations	<input checked="" type="checkbox"/>	March 18, 2005
Investment Memo	<input checked="" type="checkbox"/>	May 26, 2005
Board Approval	<input checked="" type="checkbox"/>	June 13, 2005
Compact Signing	<input checked="" type="checkbox"/>	July 4, 2005
Entry into Force	<input checked="" type="checkbox"/>	October 17, 2005
First Disbursement	<input checked="" type="checkbox"/>	October 17, 2005

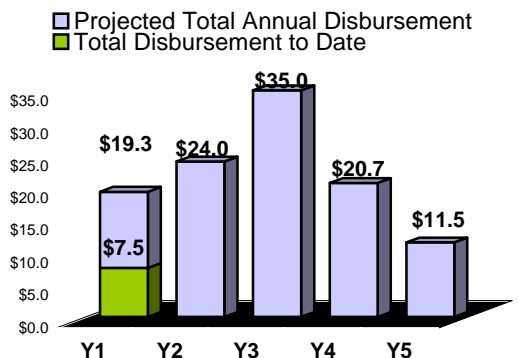
## OBLIGATIONS BY KEY SECTORS

(IN MILLIONS)



## CAPE VERDE DISBURSEMENT SCHEDULE

(IN MILLIONS)



## UPDATE ON PROGRESS

The Cape Verde Millennium Challenge Account (MCA-CV) office and MCC Resident Mission are established in-country and have initiated procurement and project implementation activities.

\*World Development Indicators, World Bank, 2005